

COUNTY OF FAUQUIER, VIRGINIA

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2005**

Note 1 - General

The accompanying schedule of expenditures of federal awards presents the activity of all federally assisted programs of the County of Fauquier, Virginia. The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

Note 3 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$ 2,425,806
Other Governmental Funds	131,666
Airport Fund	<u>4,151,250</u>
Total primary government	\$ <u>6,708,722</u>

Component Unit – Public Schools:

School General Fund	\$ 3,682,436
School Special Revenue Fund	<u>804,586</u>
Total component unit public schools	\$ <u>4,487,022</u>
Total federal expenditures per basic financial statements	\$ <u>11,195,744</u>

Noncash expenditures - value of donated commodities	\$ <u>285,402</u>
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ <u><u>11,481,146</u></u>
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